

EX PARTE OR LATE FILED

AMURCON

Amurcon Realty Company

July 9, 1996

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

RE: Restrictions on Over-The-Air Reception Devices (CS Docket No. 96-83) and
Preemption of Local Zoning Regulation of Satellite Earth Stations, IB Docket
No 95-59

Dear Mr. Caton:

We write to request clarification regarding the possible effect on our business of the rules proposed in the above dockets. An original and 13 copies of this letter are enclosed for filing in the record. We understand that the proposed rules would invalidate "nongovernmental restrictions" that "impair" a viewer's ability to receive video programming over the air, through a wireless cable or similar system, or by direct broadcast satellite.

Amurcon Realty Company owns and operates multi-unit, residential apartment buildings. Consequently, we have entered into several thousands of leases with our residents. We are concerned that our leases might contain terms that are "nongovernmental restrictions" that "impair" viewing, but we do not know how the proposed rules would be applied. This uncertainty could very well create unnecessary disputes with our residents.

We would appreciate your guidance in determining which provisions of our lease contain terms that might be considered "nongovernmental restrictions" or "Impairments" under the rules you propose in our circumstances.

Accordingly, we enclose a copy of one of our representative lease forms. Please read it and let us know which terms of the enclosed form would violate either of the proposed rules.

Thank you for your assistance.

Sincerely,

AMURCON REALTY COMPANY


Sheila G. Parker
Property Manager

1001 East Main Street, Suite 1100
Richmond, Virginia 23219
804/644-1086

SGP/jcw
Enclosure

0-13

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into this ____ day of _____, 19____, by and between _____

_____, OWNER, and
_____, RESIDENT.

W I T N E S S E T H :

WHEREAS, OWNER whose address is _____

is the owner of certain premises known as _____
Apartments (the "Premises") located in the _____ of
_____, Virginia, which are the subject of a certain
"Housing Assistance Payments Contract" (the "Contract") entered into
by and between OWNER and Virginia Housing Development Authority (the
"Authority") and approved by the United States Department of Housing
and Urban Development ("HUD"); and

WHEREAS, the Contract provides, among other things, that the
Authority shall make Housing Assistance Payments (the "Payments") to
OWNER on behalf of eligible residents of the Apartments pursuant to
the provisions of Section 8 of the United States Housing Act of 1937,
as amended, and the applicable Regulations promulgated thereunder
(herein collectively referred to as the "Act"); and

WHEREAS, the Payments shall equal the difference between the
RESIDENT's Total Housing Expense and the RESIDENT's Total Family Con-
tribution as determined by OWNER in accordance with schedules and cri-
teria established by HUD (the Total Housing Expense and Total Family
Contribution being defined in the Act).

NOW, THEREFORE, for and in consideration of the mutual cove-
nants contained herein, OWNER hereby leases unto RESIDENT, and RESI-
DENT hereby takes and hires from OWNER, Apartment No. _____ at _____
_____ (the "Apartment") for a term of
one year and _____ days commencing _____, 19____,
and ending _____, 19____, at a rent of _____

DOLLARS (\$ _____) payable in the amount of _____

DOLLARS (\$ _____) on the date hereof and the balance payable
in equal monthly installments of _____ DOLLARS (\$ _____), in
advance, on the first day of each month during the term hereof and any
renewals or extensions thereof. all upon and subject to the following
terms and conditions:

1. Rent and Section 8 Provisions.

Notwithstanding anything contained herein to the con-
trary, in case of any conflict between the provisions of this Section
1 and any other provisions of this Lease Agreement, the provisions of
the Section 1 shall prevail.

(a) The total rent shall be _____
DOLLARS (\$ _____) per month.

(b) Of the total rent, _____
DOLLARS (\$ _____) shall be payable by the
Authority as Payments on behalf of RESIDENT, and _____
DOLLARS (\$ _____)
shall be payable by RESIDENT. These amounts shall be subject to
change by reason of changes in RESIDENT's family income, family compo-
sition, or extent of exceptional medical or other unusual expenses, in
accordance with HUD established schedules and criteria; or by reason
of adjustment by the Authority of any Utility Allowance (as defined in
the Act); or by reason of changes in program rules. Any such change
shall be effective as of the date stated in a notification to RESI-
DENT. Except as expressly provided otherwise in Paragraph 6 hereof
and except in the event of RESIDENT's ineligibility for Payments under
Paragraph 7 hereof, OWNER shall give RESIDENT at least 30 days advance

written notice of any increase in the amount of the total rent payable by RESIDENT.

(c) The OWNER shall provide the following services and maintenance: _____

(d) The OWNER shall not discriminate against RESIDENT in the provision of services or in any other manner on the grounds of race, color, creed, religion, sex, handicap, familial status or national origin.

(e) OWNER, for itself and its successors in interest, covenants as follows:

(1) To comply with the requirements of all applicable building and housing codes materially affecting health and safety;

(2) Except for such repairs as may be made necessary as a result of damage caused to the Apartment by RESIDENT, RESIDENT's family, licensees or invitees, to make all repairs and do whatever is necessary to put and keep the Apartment in a fit and habitable condition;

(3) To keep all common areas of the Premises in clean and structurally safe condition;

(4) To maintain in good and safe working order and condition all electrical, plumbing, sanitary, heating, ventilating, air conditioning, and other facilities and appliances, including elevators, if any, supplied or required to be supplied by OWNER;

(5) To provide and maintain sewage service and appropriate receptacles and conveniences in common areas for the collection, storage and removal of ashes, garbage, rubbish, and other waste incidental to the occupancy of the Premises and arrange for the removal of such waste.

(f) A violation of RESIDENT's responsibilities under the Section 8 Program, as determined by the Authority, is also a violation of this Lease.

(g) If this Lease is at any time terminated by OWNER pursuant to Paragraph 17 or 18 hereof, RESIDENT shall nevertheless remain obligated to pay, on the first day of each month during the period which would otherwise have constituted the balance of the term of this Lease, the portion of the total rent payable by RESIDENT under Paragraph 1(b) at the time of such termination. However, if any such monthly payment by RESIDENT plus any rent and Payments otherwise received by OWNER for any such month exceed the total rent under Paragraph 1(a) as then adjusted, then the amount of such monthly payment payable by RESIDENT for that month shall be reduced by the amount of such excess.

2. Adjustment of Rent.

Provided OWNER is then receiving Payments on behalf of the RESIDENT, the total rent under Paragraph 1(a) may be adjusted periodically as set forth in the Act. Any such adjustment shall be effective as of the date specified in written notice thereof from OWNER to RESIDENT.

3. Utilities.

The monthly rental stipulated herein shall include the cost of all hot and cold water, janitorial service, electricity, gas and heat (all of which utilities OWNER covenants and agrees to furnish to the RESIDENT at reasonable times and in reasonable amounts). OWNER shall not collect any charges for such utilities in addition to the monthly rental.

4. Late Charge and Place of Payment.

Rent shall be payable at _____ or such other place as OWNER may, from time to time, designate in writing. In the event that OWNER does not receive from RESIDENT any installment of rent by the fifth day of the month for which such installment is due, a late charge of _____ shall be due.

5. Termination.

Except as provided otherwise by the terms hereof, this Lease shall continue upon the expiration of the initial term hereof on a month-to-month basis upon the same terms and conditions. RESIDENT may terminate this Lease at the expiration of the initial term hereof upon the giving of at least thirty (30) days prior written notice to OWNER. Similarly, RESIDENT may terminate this Lease at the expiration of any such month-to-month renewal term by the giving of at least thirty (30) days prior written notice to OWNER. If OWNER is not entitled to terminate this Lease under any of the terms and provisions herein, OWNER shall permit this Lease to be continued on a month-to-month basis upon the expiration of the initial term and any month-to-month renewal term. If RESIDENT is in breach of this Lease as defined in Paragraph 18 hereof, OWNER may terminate this Lease by proceeding in accordance with the terms of such Paragraph 18. In the event that OWNER at any time and for any reason is or becomes no longer entitled to receive Payments for the Apartment on behalf of RESIDENT or in the event that OWNER intends to destroy or demolish the Apartment or intends to discontinue or change the use of the Apartment as a multi-family housing unit assisted under the Act, the OWNER may terminate this Lease at the expiration of the initial term or of any month-to-month renewal term by giving RESIDENT at least thirty (30) days prior written notice. In addition, OWNER may, for any other good cause, terminate this Lease at the expiration of the initial term or any month-to-month renewal term by giving RESIDENT thirty (30) days prior written notice; provided, however, that the conduct of RESIDENT cannot be deemed to be other good cause hereunder unless OWNER has given RESIDENT prior notice in accordance with Paragraph 22(b) that said conduct henceforth constitutes a basis for terminating tenancy.

Upon termination of this Lease pursuant to this Paragraph 5, the Apartment shall be vacated by RESIDENT, all items of personal property shall be removed, and the Apartment shall be left in good and clean order, reasonable wear and tear excepted. If RESIDENT fails to vacate the Apartment, OWNER may, in addition to all other remedies provided by this Lease or available in law or at equity, obtain possession of the Apartment in accordance with Paragraph 20 hereof.

6. Eligibility.

RESIDENT hereby acknowledges that RESIDENT's family income and composition and other matters relating to RESIDENT's eligibility for Payments and for occupancy of the Apartment are material to this Lease Agreement. Prior to execution of this Lease, RESIDENT provided OWNER with certain information, documents and certifications with respect to RESIDENT's eligibility for Payments and for occupancy of the Apartment. RESIDENT hereby warrants and confirms that such information, documents and certifications are in all respects true, accurate and complete as of the date hereof. RESIDENT agrees to comply with all requests hereafter made by the OWNER, the Authority, or HUD for information, documents, and certifications concerning RESIDENT's family income and composition and any other matters relating to RESIDENT's eligibility for Payments, including, without limitation, disclosure and verification of Social Security Numbers as provided by applicable rules and regulations of HUD. RESIDENT agrees that such documents shall also include Authorizations for Release of Information which shall be signed by each adult occupant of the Apartment at the time of certification and recertification of eligibility, by any future adult occupants at the time of their initial occupancy of the Apartment, and by any current and future minor occupants at the time that they become eighteen (18) years of age. Such requests shall be made annually and at such other times as OWNER, the Authority or HUD may require. RESIDENT shall be notified of such requests in accor-

dance with Paragraph 22(e) hereof. RESIDENT shall furnish all such information, documents and certifications requested by OWNER, the Authority or HUD on or before the date specified in such request, which date shall not be earlier than ten (10) days from the date of receipt by RESIDENT of such request. Such information, documents and certifications shall in all respects be true, accurate and complete. OWNER will verify the information furnished by RESIDENT and use the verified information to recompute the amount of rent payable by RESIDENT and the amount payable by the Authority as Payments on behalf of RESIDENT.

If any of the following changes occur, RESIDENT shall advise OWNER immediately (but in no event more than thirty (30) days) after the occurrence thereof:

- (a) Any changes in the members of RESIDENT's household.
- (b) Any adult member of RESIDENT's household, who was reported as unemployed on the most recent certification or recertification, obtains employment.
- (c) The income of RESIDENT's household increases by more than \$40 per month.

RESIDENT may report any decrease in income or any change in other factors considered in calculating RESIDENT's rent. Unless OWNER has confirmation that the decrease in income or change in other factors will last less than one month, OWNER will verify the information and make the appropriate rent reduction. However, if RESIDENT's income will be partially or fully restored within two months, OWNER may delay the certification process until the new income is known, but the rent reduction will be retroactive and OWNER may not evict RESIDENT for nonpayment of rent due during the period of the reported decrease and the completion of the certification process. RESIDENT has thirty days after receiving written notice of any rent due for the above described time period to pay or OWNER can evict for nonpayment of rent.

In the event of any failure by RESIDENT under this Paragraph 6 to comply with any above described request by OWNER or to advise OWNER of any of the above described changes or in the event of any falsification, misstatement or misrepresentation by RESIDENT of any information relating to RESIDENT's eligibility for Payments or for occupancy of the Apartment, OWNER may, after 10 days prior written notice to RESIDENT, determine (subject to the prior approval of the Authority) that RESIDENT shall no longer be entitled to the benefit of Payments, in which event RESIDENT shall comply with and be subject to the provisions of Paragraph 7 hereof. The right of OWNER to make such determination shall be in addition to all other rights and remedies under this Lease, including without limitation those rights and remedies set forth in Paragraph 18 hereof.

If, subsequent to any increase in the amount of total rent payable by RESIDENT pursuant to Paragraph 7 hereof by reason of RESIDENT's failure to comply with its obligations under this Paragraph, RESIDENT shall furnish to OWNER the requisite information, documents and certification in accordance with the terms of this Paragraph, then OWNER shall, effective for future rent payments as of the first day of the following month and retroactive to the date on which the certification was scheduled to have become effective, decrease the amount of total rent payable by RESIDENT to the amount as shall be computed by OWNER based upon such information, documents and certifications. However, if OWNER shall not have computed such amount as of the first day of any month subsequent to the furnishing of such information, documents and certifications, then the amount of total rent payable by RESIDENT for such month shall be the amount payable by RESIDENT prior to such increase pursuant to Paragraph 7; and such amount shall, without the thirty (30) days' notice otherwise required under Paragraph 1 hereof, be increased or decreased (as may be appropriate) upon such computation by OWNER, effective for future rent payments as of the first day of the month following such computation and retroactive to the date on which the certification was scheduled to have become effective. Any excess rent paid by RESIDENT due to the

retroactive effect of any decrease in the amount of total rent payable by RESIDENT may, at the option of OWNER, be credited against the amount of total rent payable by RESIDENT in the month or months following the completion by OWNER of the certification process. Any additional rent to be paid by RESIDENT due to such retroactive effect shall be due and payable in full on the first day of the month following the completion by OWNER of the certification process.

If RESIDENT shall fail to comply with any annual request of OWNER in accordance with the terms of this Paragraph and if RESIDENT shall, subsequent to the above specified ten (10) day period and prior to an increase pursuant to Paragraph 7 hereof in the amount of total rent payable by RESIDENT, furnish to OWNER the requisite information, documents and certifications, then OWNER may, without the thirty (30) days' notice otherwise required under Paragraph 1 hereof, increase the amount of total rent payable by RESIDENT to the amount recomputed by OWNER based upon such information, documents and certifications as verified by OWNER; furthermore, OWNER may, without any such thirty (30) days' notice, require RESIDENT to pay the full amount of the total rent for the month following the expiration of such ten (10) day period. The right of OWNER to so increase the amount of total rent payable by RESIDENT shall be in addition to all other rights and remedies of OWNER under this Lease.

RESIDENT understands that units in the Premises are assigned according to the size of the household. If RESIDENT is or becomes eligible for a different size apartment in the Premises and if such apartment becomes available for occupancy, RESIDENT shall (a) move to such unit within thirty (30) days after receipt by RESIDENT of notice from OWNER in accordance with Paragraph 22(e) hereof or (b) remain in the Apartment. In the event RESIDENT shall remain in the Apartment, RESIDENT shall, as of thirty (30) days after receipt of the above described notice, become no longer entitled to the benefit of Payments and shall comply with and be subject to the provisions of Paragraph 7 hereof.

In the event that the Apartment is not habitable as the result of damage caused by the intentional or negligent conduct of RESIDENT or by any person in the Apartment with RESIDENT's consent, RESIDENT understands HUD will not make Payments to the OWNER for the period during which the Apartment is not habitable. For any such period, RESIDENT shall be no longer entitled to the benefit of Payments and shall comply with and be subject to the provisions of Paragraph 7 hereof. The foregoing shall not be construed to limit or impair any of the rights and remedies of the OWNER arising under this Lease as a result of such damage to the Apartment.

7. Ineligibility.

In the event that RESIDENT at any time is or becomes no longer entitled to the benefit of Payments, RESIDENT may continue to occupy the Apartment subject to all the terms and conditions hereof; provided, however, that commencing on the first day of the month after RESIDENT becomes ineligible, RESIDENT shall pay rent in such amount as shall be approved by the Authority and as shall not exceed the total rent then in effect for the Apartment as established pursuant to the Act; provided, further, that if as of thirty (30) days prior to the expiration of the initial term or any month-to-month renewal term RESIDENT is not entitled to the benefit of the Payments, OWNER may, upon the expiration of such initial term or month-to-month renewal term, (as the case may be) increase the rent payable by RESIDENT to an amount approved by the Authority not to exceed the total rent then in effect for the Apartment pursuant to the Act by giving RESIDENT at least thirty (30) days prior written notice. Notwithstanding the foregoing provisions of this Paragraph 7, if RESIDENT is no longer entitled to the benefit of Payments by reason of a failure of RESIDENT to comply with any of its obligations as described in Paragraph 6 hereof, OWNER may terminate this Lease in accordance with the terms of Paragraph 18 hereof (if such failure constitutes a material noncompliance by RESIDENT with this Lease as provided in Paragraph 18 hereof) and may otherwise exercise its rights and remedies provided herein for a breach of the terms hereof, and upon any such termination RESIDENT shall no longer be entitled to continue to occupy the Apartment.

8. Assign or Sublease.

RESIDENT may not, without the prior written consent of the OWNER and the Authority, assign this Lease or sublet the Apartment or any part thereof or give accommodation to any roomer, lodger or other person not herein set forth, nor permit the use of the Apartment for any purposes other than as a private dwelling solely for the use of RESIDENT and RESIDENT's family consisting of the following named persons:

Except with the prior written consent of OWNER and the Authority as provided above, RESIDENT's rights and interest in this Lease are not transferable or assignable and may not pass to or devolve upon any person or entity, whether by devise or descent, by reason of operation of law, by reason of any legal or equitable proceedings or otherwise.

9. Security Deposit.

RESIDENT shall deposit _____ DOLLARS (\$ _____) with OWNER as security for the full and faithful performance by RESIDENT of every provision, covenant, and condition of this Lease. OWNER shall deposit such security in an insured depository in an interest bearing account separate from the accounts of OWNER. In the event that RESIDENT defaults with respect to any of such provisions, covenants, or conditions, including, but not limited to, payment of rent and other charges, OWNER may use, apply, or retain all or any part of such security deposited, plus any accrued interest required by law, for the payment of any rent and other charges in default, for any sums due or to become due under Paragraph 1(g), for any damages or costs for which RESIDENT is liable or responsible under this Lease, or for any other sum which OWNER may expend or be required to expend by reason of any default by RESIDENT. Upon the termination of this Lease, such security deposit, plus any accrued interest required by law, and less all or any portion used, applied or retained by OWNER in accordance with the foregoing sentence, shall be returned to RESIDENT within thirty (30) days after the termination of tenancy and delivery of possession (In order to be considered for the return of the security deposit, RESIDENT shall provide OWNER with his forwarding address or arrange to pick up all or any portion of the security deposit due RESIDENT.). OWNER shall, within thirty (30) days after termination of tenancy and delivery of possession, give to RESIDENT written notice itemizing the security deposit, any accrued interest thereon, any unpaid rent, damages to the Apartment or Premises, estimated costs for repair, other amounts to which the security deposit is to be applied, and any amount due RESIDENT. If the portion of the Premises on which the Apartment is located is sold by OWNER during the term of this Lease or any continuation of such term, RESIDENT consents to the transfer of such security deposited by RESIDENT, plus any accrued interest required by law, to the purchaser thereof. If OWNER and the Authority consent in writing to an assignment or sublease of the Apartment by RESIDENT during the term of this Lease or any continuation of such term, RESIDENT consents to the transfer of such security deposited by RESIDENT, plus any accrued interest required by law, to the credit of the assignee or sublessee, such security to be held by OWNER until the termination or the expiration of the term of this Lease. The provisions of this Paragraph 9 shall not be deemed to preclude OWNER or RESIDENT from recovering other damages to which either may be entitled under this Lease Agreement or state law.

10. RESIDENT's Obligation to Repay.

If RESIDENT submits false information on any application, certification or request or does not report interim changes in family income or other factors as required by Paragraph 6 hereof and as a result is charged a rent less than the amount required by HUD's rent formulas, RESIDENT agrees to reimburse OWNER for the difference between the rent RESIDENT should have paid and the rent RESIDENT was charged. RESIDENT is not required to reimburse OWNER for undercharges caused solely by OWNER's failure to follow HUD's procedures for computing rent or Payments.

11. Inspection and Condition of the Apartment.

RESIDENT has made an inspection of the Apartment. Any damages to the Apartment have been or shall be itemized in a written report within five (5) days after occupation of the Apartment by RESIDENT. Such report shall be submitted by OWNER to RESIDENT or, if authorized by written policy of OWNER, shall be either submitted by RESIDENT to OWNER or prepared jointly by OWNER and RESIDENT. If submitted by OWNER to RESIDENT, any such report shall be deemed correct, unless RESIDENT objects to it in writing within five (5) days after its receipt by RESIDENT. If submitted by RESIDENT to OWNER, such report shall be deemed correct, unless OWNER objects to it in writing within five (5) days after its receipt by OWNER. If prepared jointly by OWNER and RESIDENT, such report shall be deemed correct when OWNER and RESIDENT sign it and each receive a copy thereof.

12. Covenants of RESIDENT.

In addition to such other requirements as may be imposed upon RESIDENT by law, RESIDENT, for himself and his successors in interest, agrees as follows:

(a) To pay the rent promptly when due without demand therefor and without deduction or offset of any nature.

(b) To keep the Apartment in a good, clean, safe, and sanitary condition.

(c) To use in a reasonable and proper manner all utilities, services, facilities, appliances and equipment provided by OWNER; to keep all appliances and equipment within the Apartment in good and clean condition, reasonable wear and tear excepted; and not to place fixtures, signs, or fences in or about the Apartment or Premises without prior permission of OWNER in writing.

(d) To comply with any obligations primarily imposed upon RESIDENT by applicable provisions of building and housing codes materially affecting health and safety;

(e) To remove from the Apartment all ashes, garbage, rubbish and other waste in a clean and safe manner and in the receptacles provided by OWNER under Paragraph 1(e) hereof.

(f) Not to use the Apartment or the Premises or permit the use thereof by others for any illegal purpose or activities.

(g) To keep all doors and windows closed during rain or snow.

(h) Not to keep in or about the Apartment or Premises any explosives or any inflammable fluids or materials of any kind constituting an unreasonable fire hazard without the prior written consent of OWNER.

(i) Not to affix or suspend any advertisements or notices upon or from any part of the Apartment or Premises without the prior written consent of OWNER.

(j) Not to place an iron safe or other heavy articles in the Apartment or in any building on the Premises without the prior written consent of OWNER, and to be liable to OWNER for all damages resulting from the placement or moving of any such articles.

(k) To make no alterations, additions, or improvements to the Apartment or Premises without the prior written consent of OWNER, and that any such alterations, additions, and improvements to the Apartment or Premises, whether made by OWNER or RESIDENT, shall become a part of the Apartment or Premises and so remain upon the termination of this Lease.

(l) Not to install additional or different locks on any doors or windows of the Apartment without the prior written approval of OWNER and, upon termination of occupancy of the Apartment by RESIDENT, to return to OWNER in good condition all keys to the Apartment and to pay a fee of \$_____ for each key not so returned.

(m) Not to keep any animals, wild or domestic, in the Apartment or on the Premises without the prior written consent of OWNER.

(n) To conduct himself, and to require other persons in the Apartment or on the Premises with his consent (whether known by RESIDENT or not) to conduct themselves in a manner that does not disturb the other residents' peaceful enjoyment of the Premises and is not otherwise offensive, noisy, dangerous, disruptive or injurious to the rights, privileges and welfare of the residents and other persons on the Premises or in the surrounding neighborhood.

(o) Not to deliberately or negligently destroy, deface, damage, impair or remove any part of the Apartment or Premises or permit or fail to prevent any person in the Apartment or on the Premises with RESIDENT's consent to do so (whether known by the RESIDENT or not) and to repair or replace any such part of the Apartment or Premises affected by such deliberate or negligent actions.

(p) To carry out all obligations under the Virginia Residential Landlord and Tenant Act, as amended from time to time, and all other obligations which are now or hereafter imposed upon RESIDENT by state statute or local ordinance in connection with his occupancy of the Apartment and which, if not so carried out, may constitute grounds for eviction under such statute or ordinance.

(q) Not to use the Apartment or the Premises or to permit the use thereof by others for the illegal manufacture, possession, distribution, sale, gift or use of any controlled substance (as defined in Section 54.1-3401 of the Code of Virginia) or for the facilitation of any such manufacture, possession, distribution, sale, gift or use.

(r) To control and supervise the actions of all children and other persons occupying the Apartment as necessary to prevent any violation of any of the covenants of this Paragraph 12, it being understood and agreed that RESIDENT shall be liable and responsible for any and all actions of such children or other persons resulting in violation of such covenants regardless of the absence of any intent or negligence on the part of RESIDENT with respect to such actions.

(s) To use and occupy Apartment at all times as RESIDENT's sole place of residence.

13. Condemnation.

If all or any portion of the Apartment shall be acquired for any public use by the right of eminent domain, or private purchase in lieu of such right, by a public body vested with the power of eminent domain, this Lease and all rights of RESIDENT under it shall immediately terminate, and the rent shall be adjusted as of the time of such acquisition, but RESIDENT shall have no claim against OWNER for any value of the unexpired term nor shall RESIDENT be entitled to any part of the condemnation award or purchase price in lieu of such award. If RESIDENT fails to vacate the Apartment upon such termination, OWNER may, in addition to all other remedies provided by this Lease, or available in law or at equity, obtain possession of the Apartment in accordance with Paragraph 20 hereof.

14. Destruction by Casualty.

In the event of damage by fire, enemy action, or other casualty to the Apartment or the Building in which the Apartment is located, OWNER shall repair the same with reasonable dispatch after written notice of such damage by RESIDENT; provided, however, that if such damage affects all or a substantial part of the Apartment or such building, OWNER may elect within thirty (30) days after such damage not to then repair such damage, and upon such election OWNER shall notify RESIDENT in writing that this Lease shall terminate on a date not less than thirty (30) days from the date of such election unless sooner terminated hereunder by RESIDENT. Such right to terminate shall be in addition to the OWNER's rights under Paragraph 5 of this Lease. If RESIDENT fails to vacate the Apartment upon such termination, OWNER may, in addition to all other remedies provided by this Lease, or available in law or at equity, obtain possession of the Apartment in accordance with Paragraph 20 hereof. Provided such election and termination by OWNER is made in good faith, OWNER may, subsequent to such election and termination, repair such damage and RESIDENT shall have no rights or interest in the Apartment as repaired.

If the Apartment or such building is damaged by fire, enemy action, or other casualty to such an extent that the enjoyment of the Apartment is substantially impaired, RESIDENT may immediately vacate the Apartment and within fourteen (14) days thereafter, serve on OWNER a written notice of the intention of RESIDENT to terminate this Lease, in which case this Lease terminates as of the day of vacating. If, however, the damage to the Apartment or such building by fire or otherwise was caused by the deliberate or negligent act of RESIDENT, or the agents, servants, employees, visitors or licensees of RESIDENT, no option to terminate by RESIDENT shall exist and RESIDENT shall be liable for the total rent during the unexpired term of this Lease, without abatement, unless OWNER elects to terminate this Lease, a right which OWNER hereby reserves in such contingency.

15. Liability of OWNER and Management Agent.

Neither OWNER nor the Management Agent for the OWNER shall be liable for any injury or damage to persons or property either caused by or resulting from falling plaster, dampness, overflow or leakage upon or into the Apartment of water, rain, snow, ice, sewage, steam, gas, or electricity, or by any breakage in or malfunction of pipes, plumbing fixtures, air conditioners, or appliances, or leakage, breakage, or obstruction of soil pipes, nor for any injury or damage from any other cause, unless, (a) any such injury or damage shall be the result of willful misconduct or negligence of OWNER or Management Agent and not caused in whole or in part by deliberate or negligent acts or omissions of RESIDENT, and (b) RESIDENT shall give prompt notice to OWNER of any of the foregoing occurrences, however caused.

16. Access to the Apartment by OWNER and Its Duly Designated Representative.

RESIDENT hereby covenants and expresses his consent that, upon reasonable notice to RESIDENT and at reasonable times, OWNER, and its duly designated representatives may enter the Apartment in order to: (a) inspect the Apartment; (b) make necessary or agreed repairs, decorations, alterations or improvements; (c) supply necessary or agreed services; and (d) exhibit the Apartment to prospective or actual purchasers, mortgagees, lessees, workmen, or contractors. OWNER shall not abuse the right of access or use it to harass RESIDENT. Except in the case of an emergency, or if it is impractical to do so, OWNER shall give RESIDENT reasonable notice of its intent to enter and may enter only at reasonable times. If RESIDENT moves from the Apartment prior to the termination of this Lease or if the Apartment has otherwise been abandoned or surrendered by RESIDENT, the Apartment may be entered at any time by OWNER and its duly designated representatives without notice to or the consent of RESIDENT.

17. Absence of RESIDENT from Apartment.

RESIDENT shall give OWNER notice of an anticipated extended absence of RESIDENT from the Apartment in excess of seven (7) days. RESIDENT agrees that, during any such absence of RESIDENT, OWN-

ER may enter the Apartment at times reasonably necessary to protect the Apartment and any possessions of OWNER on or in the Apartment. In the event that RESIDENT fails to give such notice, OWNER may recover for any actual damages sustained.

If RESIDENT shall vacate or abandon the Apartment, OWNER shall have the right to terminate this Lease by delivering written notice to RESIDENT in accordance with Paragraphs 22(a) and (b) informing RESIDENT that this Lease will terminate thirty (30) days after receipt of such notice by RESIDENT. Any absence for a period of thirty (30) consecutive days without the prior written approval of OWNER shall be deemed to be an abandonment of the Apartment.

18. Rights of OWNER upon Breach of Lease by RESIDENT.

(a) Any material noncompliance by RESIDENT with this Lease may be deemed by OWNER as a default by RESIDENT and breach of this Lease. As used herein, the term "material noncompliance by RESIDENT with this Lease" shall include (1) one or more substantial violations of this Lease or (2) repeated minor violations of this Lease which disrupt the livability of the Premises, adversely affect the health or safety of any person or the right of any resident to the quiet enjoyment of the Premises, interfere with the management of the Premises or have an adverse financial effect on the Premises. Failure of RESIDENT to timely supply all required information on the income and composition, or eligibility factors, of RESIDENT's household (including, but not limited to, failure to meet the disclosure and verification requirements for Social Security Numbers, as required by the applicable rules and regulations of HUD, or failure to sign and submit consent forms for the obtaining of wage and claim information from state wage information collection agencies) in accordance with paragraph 6 hereof or RESIDENT's knowingly providing OWNER incomplete or inaccurate information will constitute a substantial violation of this Lease. Nonpayment of rent or other charges (other than late charges payable under Paragraph 4 hereof) or amounts due under this Lease (including any portion thereof) beyond the five (5) day period described in Paragraph 18(c) hereof shall constitute a substantial violation of this Lease. The payment of rent or other charges (other than late charges payable under Paragraph 4 hereof) or amounts due under this Lease within such five (5) day period shall constitute a minor violation of this Lease.

(b) (i) In the event of any remediable breach of this Lease other than the non-payment of rent or other charges or amounts, OWNER may, in addition to other remedies provided by law and this Lease, serve written notice on RESIDENT in accordance with Paragraphs 22(a) and (b) informing RESIDENT that this Lease will terminate upon a date not less than thirty (30) days after receipt of such notice by RESIDENT if the breach is not remedied within twenty-one (21) days after receipt of such notice. If the breach is remediable by RESIDENT by repairs, by the payment of damages, or otherwise, and RESIDENT adequately remedies the breach within such twenty-one (21) days, this Lease shall not terminate.

(ii) If RESIDENT has been served with a prior written notice which required RESIDENT to remedy a breach, and RESIDENT remedied such breach, where RESIDENT intentionally commits a subsequent breach of a like nature as the prior breach, OWNER may serve written notice on RESIDENT in accordance with Paragraphs 22(a) and (b) specifying the acts and omissions constituting the subsequent breach, make reference to the prior breach of a like nature, and state that this Lease shall terminate upon a date not less than thirty (30) days after receipt of the notice by RESIDENT.

(iii) If the breach is not remediable, OWNER may serve written notice on RESIDENT in accordance with Paragraphs 22(a) and (b) specifying the acts and omissions constituting the breach and stating that this Lease shall terminate upon a date not less than thirty (30) days after receipt of such notice by RESIDENT; provided, however, that if such non-remediable breach involves or constitutes a criminal or a willful act which poses a threat to health or safety, such notice may provide for termination upon any date on or after receipt of such notice.

(iv) If the breach is remediable and RESIDENT does not adequately remedy it within such twenty-one (21) days, or, if the breach is not remediable, or if RESIDENT has intentionally committed a subsequent breach of a like nature as the prior breach as described in subparagraph (ii) above, this Lease shall terminate upon the date specified in the above described written notice. Upon such termination, RESIDENT shall vacate the Apartment and shall remove all items of personal property therefrom, and the Apartment shall be left in good and clean order, reasonable wear and tear excepted. If RESIDENT fails to so vacate the Apartment, OWNER may, in addition to all other remedies provided by the Lease or available in law or at equity, obtain possession of the Apartment in accordance with Paragraph 20 hereof.

(c) In the event that RESIDENT fails to pay when due any installment of rent or other charges (other than late charges payable under Paragraph 4 hereof) or amounts, and in the event that such rent or other charges or amounts are not paid within five (5) days after written notice in accordance with Paragraphs 22(a) and (b) hereof is served on RESIDENT notifying RESIDENT of any nonpayment and of OWNER's intention to terminate the Lease Agreement if payment is not made within the five (5) day period, OWNER may, in addition to other remedies provided by law and by this Lease, terminate this Lease. Upon such termination, RESIDENT shall vacate the Apartment and shall remove all items of personal property therefrom, and the Apartment shall be left in good and clean order, reasonable wear and tear excepted. If RESIDENT fails to so vacate the Apartment, OWNER may, in addition to all other remedies provided by this Lease or available in law or at equity, obtain possession of the Apartment in accordance with Paragraph 20 hereof.

(d) In the event of (1) noncompliance by RESIDENT with this Lease materially affecting health and safety; (2) noncompliance by RESIDENT with any obligations primarily imposed upon RESIDENT by applicable provisions of building or housing codes materially affecting health and safety; or (3) noncompliance by RESIDENT, or by others in the Apartment or on the Premises with the consent of RESIDENT, with any reasonable rule or regulation of OWNER now in effect or hereafter adopted, concerning the use and occupancy of the Apartment, and such noncompliance can be remedied by repair, replacement of a damaged item, or cleaning, and, if RESIDENT fails to comply as promptly as conditions require in case of emergency or within fourteen (14) days after receipt by RESIDENT of a written notice by OWNER specifying any such noncompliance and requesting its remedy by RESIDENT within such period of time, in addition to other remedies provided by law, and by this Lease, OWNER, and its duly designated representatives may enter the Apartment and cause the necessary work to be done in a workmanlike manner. Upon completion of such work, OWNER may submit an itemized bill for the actual and reasonable cost or the fair and reasonable value of such necessary work to RESIDENT and the amount of such bill shall be paid by RESIDENT as additional charge on the next date upon which an installment of rent is due or, if this Lease has been terminated by OWNER for any such noncompliance by RESIDENT, such bill shall be paid by RESIDENT immediately after submission of it.

(e) If RESIDENT refuses to allow or prevents access to the OWNER as provided in paragraph 16 of this Lease, OWNER may obtain injunctive relief to compel access or may terminate this Lease in accordance with the terms of this Paragraph 18. In either case, OWNER may recover actual damages sustained and reasonable attorney's fees.

19. Early Termination by Armed Services Personnel.

(a) If RESIDENT is a member of the armed forces of the United States or a member of the Virginia National Guard serving on full-time duty or as a Civil Service technician with a National Guard unit (i) who has received permanent change of station orders to depart thirty-five (35) miles or more (radius) from the location of the Apartment, (ii) who has received temporary duty orders in excess of three months' duration to depart thirty-five (35) miles or more (radius) from the location of the Apartment, (iii) who is discharged or released from active duty with the armed forces of the United States or from his full-time duty or technician status with the Virginia National Guard or (iv) who is ordered to report to government-supplied quarters re-

sulting in the forfeiture of basic allowance for quarters, RESIDENT may terminate this Lease by written notice of termination to OWNER to be effective on the date stated in such notice, which date shall not be less than thirty (30) days after receipt of such notice by OWNER and no more than sixty (60) days prior to the date of departure necessary to comply with the official orders or any supplemental instructions for interim training or duty prior to the transfer. Prior to the termination date, RESIDENT shall furnish OWNER with a copy of the official notification of the orders or a signed letter, confirming the orders, from RESIDENT's commanding officer. The final rent due by RESIDENT shall be prorated to such date of termination and shall be payable at such time as would otherwise have been required by this Lease, together with any liquidated damages due pursuant to subparagraph (b) of this paragraph 19.

(b) In consideration of such early termination of this Lease, RESIDENT shall pay to OWNER as liquidated damages (i) the amount of one month's rent for the Apartment, if less than six months of the term of the Lease shall have elapsed as of the effective date of termination, or (ii) the amount of one-half of one month's rent, if more than six months but less than twelve months of the term of the Lease shall have elapsed as of the effective date of termination, provided, however, nothing in this subparagraph (b) of this paragraph 19 shall affect the obligations of RESIDENT under paragraphs 10 and 16 of this Lease.

(c) Upon a termination under this Paragraph 19, RESIDENT shall vacate the Apartment and shall remove all items of personal property therefrom, and the Apartment shall be left in good and clean order, reasonable wear and tear excepted.

20. OWNER's Right to Possession if RESIDENT Fails to Vacate Upon Termination.

If RESIDENT fails to vacate the Apartment upon a termination of this Lease, OWNER's sole and exclusive remedy for obtaining possession of the Apartment shall be to bring an action for unlawful entry or detainer or any other action permitted therefor in law or at equity and shall thereby be entitled not only to possession of the Apartment, but also to any unpaid rent and additional charges, to any damages sustained and to such attorney's fees and court costs as may be recoverable by law.

21. Waiver and Non-Waiver of OWNER's Right to Terminate.

Unless OWNER accepts monthly payments of total rent with reservation, and gives a written monthly notice to RESIDENT of such acceptance, acceptance of monthly payments of total rent with knowledge of a material noncompliance by RESIDENT with this Lease constitutes a waiver of OWNER's right to terminate this Lease for such noncompliance. Except as otherwise provided by state law, if OWNER has given RESIDENT written notice that the monthly payments of total rent have been accepted with reservation, OWNER may accept full payment of all payments of total rent, damages and other fees and still be entitled to receive an order of possession terminating this Lease.

22. Notice.

(a) If OWNER has elected to terminate this Lease under any of the provisions hereof, the notice of such termination shall be in writing and shall (1) state that this Lease will be terminated on a date specified therein, (2) in the case of nonpayment of rent or other charges or amounts, state the dollar amount of the balance due and the date of such computation, (3) in all other cases of termination, state the reasons for the OWNER's actions with enough detail so as to enable RESIDENT to prepare a defense, (4) advise RESIDENT that if he or she remains in the Apartment on the date specified for termination, OWNER may seek to enforce the termination only by bringing a judicial action, at which time RESIDENT may present a defense, (5) advise RESIDENT that RESIDENT has ten (10) days within which to discuss the proposed termination of tenancy with OWNER (such 10-day period beginning on the earlier of the date notice was hand delivered pursuant to (2) in subparagraph (b) of this Paragraph 22 or the day after the date notice was mailed pursuant to (1) in subparagraph (b) of this Para-

graph 22) and (6) be served on RESIDENT in the manner prescribed by subparagraph (b) of this Paragraph 22.

(b) The notice of termination described in subparagraph (a) of this Paragraph 22 shall be accomplished by (1) sending a letter by first class mail, postage prepaid, and addressed to RESIDENT at his address at the Premises or RESIDENT's last known place of residence with a proper return address and retaining sufficient proof of mailing which may be a United States postal certificate of mailing and (2) either serving notice upon RESIDENT by hand delivery in accordance with Chapter 8 of Title 8.01 of the Code of Virginia (1950, as amended) or serving a copy of said notice on any adult person answering the door at the Apartment, or if no adult responds, by placing said notice on, under or through the door. Service shall not be deemed effective until both notices provided for herein have been accomplished. The date on which the notice shall be deemed to be received shall be the date on which the first class letter provided for in subparagraph (b)(1) of this Paragraph 22 is mailed, or the date on which the notice provided for in subparagraph (b)(2) of this Paragraph 22 is properly served, whichever is later.

(c) The failure of RESIDENT to object to the termination notice described above shall not constitute a waiver of his right to thereafter contest OWNER's actions in any judicial proceeding.

(d) In any judicial action instituted to obtain possession of the Apartment, OWNER may not rely on any grounds which are different from the reasons set forth in the termination notice described above.

(e) Any notice under this Lease other than a termination notice described above shall be given to RESIDENT (1) by delivering such notice in writing to RESIDENT in hand, or (2) by mailing such notice to RESIDENT at the address of the Apartment or to the last known place of residence of RESIDENT by registered or certified mail. RESIDENT shall give notice under this Lease to OWNER (1) by delivering such notice in writing to OWNER in hand, or (2) by mailing such notice to OWNER at the address of OWNER disclosed at the beginning of this Lease. The date on which any notice under this subparagraph (e) shall be deemed to be received shall be the date on which such notice is delivered in hand or is mailed, as the case may be. This paragraph shall not be applicable to notices to pay or quit, to civil warrants, or similar documents required by law to be served by judicial or similar officers.

23. Subordination.

RESIDENT hereby agrees that this Lease shall be subordinate to any mortgage or mortgages, including a deed or deeds of trust, which OWNER may at any time place against the Premises. RESIDENT further agrees that in the event OWNER shall so request, RESIDENT shall execute such agreements as may be necessary or desirable further to effect such subordination.

24. Quiet Enjoyment.

OWNER hereby covenants that in consideration of the payment of the rent and the performance by RESIDENT of all of the terms and conditions hereof and the observation by RESIDENT of all rules and regulations applicable to the Premises, RESIDENT shall and may peacefully and quietly have, hold, and enjoy the Apartment for the term provided for herein and any renewals or extensions thereof.

25. Headings.

The headings provided for herein are for reference purposes only and shall not be construed as part of this Lease.

26. Rules and Regulations.

RESIDENT agrees that the rules and regulations attached hereto, and any additional reasonable rules or regulations subsequently adopted by OWNER which are reasonably related to the safety, care and cleanliness of the Apartment and the Premises or the safety, com-

fort and convenience of other residents of the Premises and of which RESIDENT receives at least 30 days written notice prior to enforcement thereof, shall be a part of this Lease. RESIDENT further agrees that RESIDENT and any other person in the Apartment or on the Premises with the consent of RESIDENT (whether known by RESIDENT or not) shall fully abide by such rules and regulations.

27. Indemnification.

RESIDENT shall indemnify OWNER against all costs, expenses, charges, injuries and damages (including, without limitation, reasonable attorney's fees and expenses and court costs) sustained or incurred as a result of a breach by RESIDENT or the agents, servants, employees, visitors or licensees of RESIDENT, of any provision, covenant or condition of this Lease or as the result of any fault, negligence or improper conduct of RESIDENT or the agents, servants, employees, visitors or licensees of RESIDENT. All amounts to be paid by RESIDENT to OWNER under this Paragraph shall be due and payable upon demand of OWNER.

28. Penalties for Submitting False Information.

If RESIDENT deliberately submits false information regarding income, family composition or other data on which RESIDENT's eligibility or the amount of total rent payable by RESIDENT is determined, RESIDENT may be subject to penalties under federal law, including fines of up to \$10,000 and imprisonment for up to five years.

29. Modification and Applicable Law.

(a) Notwithstanding any other provision herein, OWNER may with the prior approval of the Authority modify the terms and conditions of this Lease, effective at the end of the initial term or any month-to-month renewal term by giving RESIDENT prior written notice together with the offer of a revised lease or an addendum revising this Lease. This notice and offer shall be served in the same manner as provided in Paragraph 22(b) and must be received by RESIDENT at least sixty (60) days prior to the date on which the revised lease or the addendum to this Lease is to become effective. At least thirty (30) days prior to such effective date, RESIDENT either shall accept the modified terms and conditions by executing the offered revised lease or addendum revising this Lease or shall reject the modified terms and conditions by giving OWNER thirty (30) days written notice terminating this Lease in accordance with Paragraph 5 hereof. If RESIDENT neither accepts nor rejects such modified terms and conditions in accordance with the preceding sentence, this Lease shall terminate as of the end of the initial term or month-to-month renewal term, as the case may be, without further notice.

(b) This Lease constitutes the entire agreement among the parties, and it may not be modified or changed except by written instrument executed by OWNER and RESIDENT. This Lease shall be construed, interpreted and applied according to the laws of the Commonwealth of Virginia.

_____ shall serve as Management Agent and is authorized on behalf of OWNER to manage the Premises. Any notices required to be served on the Management Agent shall be served at the following address:

30. Rights of the Authority.

It is understood and agreed by OWNER and RESIDENT that the Authority shall have the right (but shall not be obligated) to exercise any and all of the rights of OWNER hereunder in the event of a breach or violation by RESIDENT of any of the provisions hereof.

31. Miscellaneous.

Except as otherwise provided herein, the covenants, terms and conditions of this Lease shall be binding upon and shall inure to the benefit of the heirs, personal representatives, succes-

RULES AND REGULATIONS

A. The sidewalks, entries, hallways, passages, and stairways shall not be obstructed nor used for any purpose other than ingress and egress to apartments.

B. The doors, floors, skylights, and windows that reflect or admit light into passageways or into other places in the building shall not be covered or obstructed by RESIDENT.

C. Nothing shall be thrown out of skylights, windows, or doors or into passageways.

D. No curtains, window shades, or awnings shall be installed by RESIDENT without the approval of OWNER of their style, material, and quality, and any such curtains, shades, or awnings shall be at the expense of RESIDENT, but they may be removed by RESIDENT upon termination of this Lease.

E. Children shall not be permitted to loiter or play on the stairways or in the halls, lobbies and elevators.

F. Water closets and all other plumbing fixtures in the Apartment shall be kept clean and shall be used only for the purpose for which they were installed, and no sweepings, rubbish, rags, or other articles shall be placed in such fixtures.

G. No heating or air conditioning unit, washing machine, or antenna of any kind shall be installed in the Apartment or on the Premises without the written consent of OWNER.

H. RESIDENTS shall not use any harsh or abrasive cleaning compounds or solvents on any asphalt tile floors. Only waxes of a water emulsion type are permitted.

I. (Any other rules and regulations suggested by OWNER and approved by the Authority.)